Congress of the United States

House of Representatives Washington, DC 20515-0301

March 22, 2016

The Honorable Ken Calvert Chairman Committee on Appropriations Subcommittee on Interior, Environment, and Related Agencies U.S. House of Representatives B-308 Rayburn HOB Washington, DC 20515

The Honorable Betty McCollum Ranking Member Committee on Appropriations Subcommittee on Interior, Environment, and Related Agencies U.S. House of Representatives 1016 Longworth HOB Washington, DC 20515

Dear Chairman Calvert and Ranking Member McCollum:

As you begin work on the fiscal year (FY) 2017 Interior, Environment and Related Agencies Appropriations bill, we urge you to include language that would prevent the Environmental Protection Agency from treating the modification of a motor vehicle for competition as a violation of the Clean Air Act.

On July 13, 2015 the EPA proposed a new rule that would make it illegal to make any modifications to an EPA-certified vehicle that would bring that vehicle out of compliance with the Clean Air Act. This provision specifically states that even vehicles used exclusively for competition are barred from making these types of modifications. This rule change directly violates the intent of the Clean Air Act, which was meant to specifically exclude vehicles that would be used exclusively for competition, as this exchange from the debates surrounding the passage of the Clean Air Amendments of 1970 clearly shows:

Representative Nichols: "I would ask the distinguished chairman if I am correct in stating that the terms "vehicle" and "vehicle engine" as used in the act do not include vehicles or vehicle engines manufactured for, modified for or utilized in organized motorized racing events which, of course, are held very infrequently but which utilize all types of vehicles and vehicle engines?"

Representative Staggers: "In response to the gentleman from Alabama, I would say to the gentleman they would not come under the provisions of this act, because the act deals only with automobiles used on our roads in everyday use. The act would not cover the types of racing vehicles to which the gentleman referred, and present law does not cover them either."

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¹ House Consideration of the Report of the Conference Committee, Dec. 18, 1970 (reprinted in A legislative history of the Clean air amendments of 1970, together with a section-by-section index, U.S. LIBRARY OF CONGRESS, ENVIRONMENTAL POLICY DIVISION, Washington: U.S. Govt. Print. Off. Serial No. 93-18, 1974, p. 117)

This new proposed rule therefore violates both the letter and the spirit of the Clean Air Act. Even worse than this disastrous rule is the incredibly secretive and underhanded way in which the EPA introduced it. The original rule proposal was placed on page 40539 of the Federal Register under a section titled: "Greenhouse Gas Emissions and Fuel Efficiency Standards for Medium- and heavy-Duty Engines and Vehicles—Phase 2." Further, it was placed under subsection "J. Miscellaneous EPA Amendments." The index and titles for this Federal Register made no mention that it contained any rules relating to vehicles modified for competition or light-duty vehicles. This obfuscation is a blatant violation of the Administrative Procedures Act that requires sufficient notification of and opportunity for input from the regulated industry. The regulated industry was not even aware that this rule had been proposed until after the comment period had been closed by the EPA. Furthermore, the EPA did not perform the required economic analysis, regulatory-flexibility analysis, or small business analysis before creating this rule. The potential benefits of this regulation are also completely unknown because the EPA has not issued a report outlining the amount of emissions that this rule would be expected to prevent.

In addition to having questionable environmental benefits, this rule would be harmful to our economy. Specifically, this rule threatens the viability of the specialty equipment automotive aftermarket. According to the Specialty Equipment Market Association, the trade organization that represents this industry, it "employs about one million Americans across all 50 states. Current retail sales of racing products make up a \$1.4 billion annual market. Beyond specialty racing equipment, the regulation would have a significant negative impact on racing-related divisions among the vehicle manufacturers, involving advanced product engineering and development, development of safety systems and sales and marketing. The number of jobs lost in the automotive industry as a result of the regulation will be considerable."²

Accordingly, we ask that you include language similar to the following:

"Sec. ____. None of the funds made available by this Act may be used by the Environmental Protection Agency to treat modification of a motor vehicle, or motor vehicle engine, for competition as a prohibited act under section 201(a)(3) of the Clean Air Act (42 U.S.C. 7522(a)(3)) or any other provision of such Act."

We thank you for your consideration of this request, and for your leadership on the committee.

Sincerely,

Paul A. Gosar, D.D.S

Member of Congress

Doug LaMalfa

Member of Congress

² Testimony of Christopher J. Kersting, President & CEO Specialty Equipment Market Association before the Subcommittee on Oversight House Committee on Science, Space and Technology on March 15, 2016, https://science.house.gov/sites/republicans.science.house.gov/files/documents/HHRG-114-SY21-WState-CKersting-20160315.pdf, accessed: 3/18/16.

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